

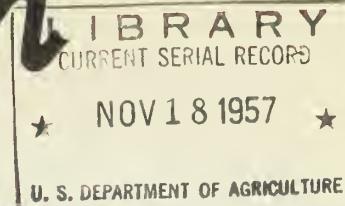
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# Foreign



# CROPS AND MARKETS

FOR RELEASE MONDAY, NOVEMBER 4, 1957

VOLUME 75

NUMBER 18

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UNITED STATES DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

WASHINGTON 25, D.C.

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FOREIGN CROPS AND MARKETS

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NETHERLANDS IMPORTS OF UNMANUFACTURED  
TOBACCO LARGER IN 1957

Gross imports (direct and withdrawals of tobacco from bond) into the Netherlands were 34.7 million pounds in the first half of 1957, compared with 34.1 million in the first half of 1956.

Imports from the United States at 12.6 million pounds in January-June 1957 were slightly below those for the same months a year earlier. Imports from Indonesia, Brazil and the Federation of Rhodesia and Nyasaland showed substantial increases in the first 6 months of 1957 in comparison with the first 6 months of 1956. Much smaller imports were received from Canada and Greece in the first half of 1957 than in the first half of 1956.

TOBACCO, UNMANUFACTURED: Netherlands, gross imports by country of origin, January - June 1955-57

Country of origin	January - June		
	1955	1956	1957
	pounds	pounds	pounds
United States.....	14,248	12,650	12,601
Indonesia.....	3,772	3,483	4,191
Brazil.....	3,190	2,998	3,858
Greece.....	2,504	2,529	287
Turkey.....	4,098	2,881	2,345
Rhodesian Federation..	3,507	2,385	4,484
India.....	1,726	1,720	1,091
Philippine Republic..	53	271	227
Canada.....	106	527	82
Italy.....	827	1,325	1,653
Cuba.....	465	1,105	1,435
Other.....	1,551	2,209	2,460
Total	36,047	34,083	34,714

Source: Maandstatistiek vand in-, uit-en doorvoer per goederensoort, June 1957.

YUGOSLAVIA OUTLINES  
INCREASED TOBACCO PRODUCTION

Les Tabacs Yougoslaves, a book published for the 1957 tobacco fair at Skopje, reports that there is enough good tobacco land in Yugoslavia to increase the crop more than 5 fold. Acreage planted in 1957 increased sharply to 131 thousand acres (a record high) from the 101 thousand harvested in 1956 but the relatively high rainfall received this year has lowered the average quality.

Yugoslav production experts foresee a crop of about 132 million pounds from 148 thousand acres by 1961, with a further increase to 140 million pounds from 173 thousand acres. (Continued on page 4.)

Even with such an increase in production the Yugoslavs believe there will still be much additional land adapted to tobacco production.

However the large 1957 crop (now estimated at about 110 million pounds) is expected to strain storage facilities and some tobacco may be lost. Storage and other handling facilities will have to be greatly enlarged to produce and market properly the larger prospective crops.

#### CANADA SUPPLIES MOST OF TRINIDAD'S TOBACCO

During the first 6 months of 1957, Canada continued its role as the major supplier of tobacco to Trinidad and Tobago. These territories imported 890 thousand pounds of unmanufactured tobacco during January-June 1957 of which 715 thousand came from Canada and 175 thousand from the United States. Also, in the first half of 1957 nearly 21 thousand pounds of tobacco products were imported with the United Kingdom supplying 14 thousand and the United States supplying 6 thousand.

#### CIGARETTE OUTPUT INCREASES IN PAKISTAN

Cigarette output in Pakistan during the first 3 months of 1957 was 1.6 billion pieces, considerably above the 1.2 billion manufactured during the first quarter of 1956. Continued output at this rate will provide considerably more cigarettes in 1957 than the 5.3 billion manufactured in 1956. Cigar output at 360 thousand pieces during January-March 1957 was also well ahead of the first three months of 1956, when 255 thousand were made.

TOBACCO PRODUCTS: Pakistan, output by kind, 1954-56  
and January-March 1956 and 1957

Product	1954	1955	1956	January - March 1956	March 1957
Cigarettes, (million pieces).....	4,588	4,833	5,343	1,241	1,550
Cigars, (thousand pcs.).....	1,419	882	1,069	255	360

Source: Ministry of Economics, Statistical Bulletin, May 1957.

#### LARGER TOBACCO CROP EXPECTED IN GREECE

The 1957 crop of Greek tobacco is estimated at 213.8 million pounds from 302 thousand acres in comparison with the 1956 crop of 181.3 million pounds from 291 thousand acres. Sales of the 1956 crop to September 1, 1957 were 171 million pounds of which 157 million were export grades. The balance and most of the leaf yet unsold consist of domestic grades.

NO INDIAN IMPORT QUOTA LICENSES FOR  
TOBACCO FOR OCTOBER-MARCH 1957-58

The Government of India has announced that no quota licenses will be issued for imports of tobacco during the period of October 1957 through March 1958. Both manufactured and unmanufactured tobacco are covered by this statement of import policy. This is part of a general tightening of import controls to save foreign exchange.

COLOMBIA NEEDS BEANS

Colombia's 1957 bean production is down because of drought. The crop is estimated unofficially at about 900,000 bags, or 40 percent below the 1.5 million bags estimated for 1956. Colombia, therefore, may need to import 800,000 bags. The wholesale price of beans in Bogota is equivalent to about 20 cents per pound.

Colombians much prefer their local beans, which frequently differ from United States beans in color, size and shape. These preferences vary by locality. Bogota, for example, prefers a large round red bean, or large round white bean. Medellin, on the other hand, seems to prefer several colors of beans about the size and shape of United States beans, but of different color. If United States beans are imported, as they well may be, active promotion of their sale and use can benefit the American trade.

United States beans have long been well known in Colombia. Although the quantity imported has been small, the imports have been regular. Since 1935 United States beans have gone to Colombia in every year, and in recent years the quantity has been increasing. The highest exports were 200,000 bags in 1950. During the subsequent 5 years, United States bean exports to Colombia have been higher than for any similar previous period.

BEANS: Imports by Colombia, 1950 to 1955

Country of origin	Years					
	1950	1951	1952	1953	1954	1955
- - - - <u>Bags of 100 pounds</u> - - - -						
Chile.....	n.a.	11,607:	23:	60:	20,847:	-
U. S.....	n.a.	56,687:	192:	205:	35:	5,457
Ecuador.....	n.a.	464:	2,145:	10,793:	- :	-
Canada.....	n.a.	- :	- :	- :	- :	13
Total.....	220,460:	69,058:	2,360:	11,058:	20,882:	5,470

### EL SALVADOR PLANS COFFEE CENSUS

El Salvador expects to begin a new coffee census in December 1957. Figures will be collected for such things as production, area cultivated, average yield, labor complement and new plantings. It is reported that the El Salvadoran Government and the growers are especially interested in having a coffee census at this time in order to be better prepared to discuss their situation with other coffee countries.

### VIETNAM EXPECTS TO EXPORT COFFEE

Coffee production and consumption are reported to be roughly in balance now in Vietnam. Production, however, is increasing more than expected consumption, and it is expected that beginning in 1958 there will be some coffee for export. Excepting 1955 when 56 metric tons of coffee were exported to Cambodia there have been no exports since 1940.

Output of green coffee in 1956 in Vietnam is reported to have amounted to about 1,000 metric tons, and will probably be around 1,300 tons in 1957. A considerably higher production is probable for 1958. Current annual consumption has been estimated at about 1,200 tons.

The 1957 acreage of coffee in the High Plateaux is reported to be almost identical with that of 1946, (somewhat over 7,400 acres) despite gradual abandonment of about 4,700 acres of Arabica. This has been caused by the rapid expansion of Robusta and Chari plantations since 1949.

### EL SALVADOR'S EUROPEAN COFFEE MISSION CLAIMS SUCCESS

The Economic Mission headed by El Salvador's Minister of Agriculture recently completed a tour of several European countries in an attempt to increase coffee sales. The Mission reports that it was very successful, and that El Salvador will be able to regain prewar European markets, and also increase sales in present markets, especially West Germany. A member of the Mission characterized the European Common Market as a problem, but pointed out that El Salvador still has several years to establish itself in that market before restrictive limitation may become operative.

## CANADIAN DRY PEA PRODUCTION DOWN 18 PERCENT

Canadian pea production, estimated at 896,000 bags in 1957, was 18 percent below last year's 1.1 million. Both acreage and yield down: 84,900 acres in 1957, compared with 87,900 in 1956.

It is estimated that 250,000 bags of the 1957 crop will be available for export in the coming months. From October 1956 through July 1957, 244,000 bags of peas were exported from Canada. 187,000 bags of whole peas were sent to the United Kingdom and Western Europe primarily, and 56,000 bags of split peas were sent primarily to the British Caribbean.

## CANADIAN BEAN PRODUCTION UP 8 PERCENT

Canada produced 745,000 bags of beans in 1957, or 8 percent more than in 1956 when the crop was estimated at 688,000 bags. The quality of the 1957 crop, however, is inferior to last year due to adverse weather. The large 1957 production was due to unusually high yields, not to an increase of acreage. The 1957 acreage estimated at 62,500 was 9 percent less than in 1956. Wet weather during the 1957 planting season hampered seedings of the bean crop.

Canada both imports and exports beans, and the United States is one of the principal traders both ways. Canada reports imports from October 1956 through May 1957 totaling 70,200 bags, of which 33,400 bags were from the United States. Exports from October 1956 through July 1957 totaled 76,700 bags, of which 3,250 were sent to the United States. The United Kingdom is also an important destination for Canadian exports, and British East Africa is an important source of imports. The long time trend of Canadian bean acreage, production, and exports has been downward and the trend of imports upward.

## NEW ZEALAND CONSIDERS EXPORT CREDITS TO INDIA

New Zealand may extend export credits to India in order to allow that country to continue buying New Zealand nonfat dry milk. In discussing this plan before the New Zealand House of Representatives, the Minister of Industries and Commerce said that the New Zealand Government was considering this alternative following India's announcement that nonfat dry milk imports would be banned during the October 1957-March 1958 period. The proposed export credit plan would reportedly maintain interest in New Zealand nonfat dry milk during this period.

When the Government of India announced its import policy on September 30, 1957, butter, cheese, ghee, and condensed or preserved milks were among the agricultural commodities which would be banned during October 1957-March 1958 in an effort to conserve foreign currencies.

### U.K. IMPORTING SMALLER QUANTITIES OF DAIRY PRODUCTS

Imports of butter into the United Kingdom during January-August 1957 at 53<sup>4</sup> million pounds were slightly below those for the same period a year ago when imports totaled 536.2 million pounds.

The principal supplier was New Zealand, with 195.5 million pounds--about 20.0 million pounds under imports for comparable 1956. Denmark's shipments dropped from 149.2 million pounds to 145.3 million pounds; those from Australia declined from 116.4 million pounds to 83.7 million pounds. Imports from other sources are higher this year, particularly those from Ireland, which amounted to 22.1 million pounds, as against only 204,000 pounds last year. Finland also increased its trade with the United Kingdom in the first 8 months of 1957, shipping 31.4 million pounds, compared with 19.0 million pounds. Argentina's exports rose from 17.8 million pounds to 27.6 million pounds, the Netherlands' from 14.0 million pounds to 19.0 million pounds.

Cheese imports dropped 8 percent to 191.3 million pounds. Shipments from New Zealand declined from 141.0 million pounds to 131.1 million pounds, but those from Australia rose from 20.2 million pounds to 23.0 million pounds. Shipments from Denmark at 16.6 million pounds and from France at 1.3 million pounds showed little change from last year. Imports from Canada, the Netherlands, and Italy were down.

Imports of all dried milk declined from 98.6 million pounds to 93.3 million pounds. Dried whole milk shipments dropped slightly from 12.3 million pounds to 11.0 million pounds, larger shipments from Ireland and Denmark not being sufficient to offset smaller shipments from New Zealand and the Netherlands. The United Kingdom's imports of nonfat dry milk during January-August 1957 at 65.0 million pounds were only slightly below those of comparable 1956. New Zealand was the heaviest supplier in both years. Buttermilk and whey powders were imported in somewhat smaller quantity during the first 8 months of 1957.

### U. S. EXPORTS OF EDIBLE OILS UP 6 PERCENT FROM PREVIOUS MARKETING YEAR

According to preliminary Census Bureau data, United States exports of cottonseed and soybean oils during October 1956-September 1957 totaled 1,228 million pounds, up 6 percent from the 1955-56 marketing year.

Shipments of soybean oil during the last marketing year totaled 805 million pounds, an increase of nearly one-half over October-September 1955-56. On the other hand, cottonseed oil exports of 423 million pounds were nearly one-third below those of the previous marketing year.

Soybean exports in October-September are estimated at 85.5 million bushels on the basis of inspection reports. This quantity represents an increase of over one-fourth from 1955-56 marketing year's exports.

Cake and meal exports in the 1956-57 marketing year approximated 511,400 short tons, a decrease of over one-fourth from the previous marketing year. Soybean cake and meal accounted for over 85 percent of the total shipments.

**COTTONSEED OIL, SOYBEAN OIL, OILCAKES AND MEALS:** U. S. preliminary estimates of exports in September 1957 and October-September 1956-57, and actual exports September 1956 and October-September 1955-56

Commodity	September		October-September	
	1956	1957 (Preliminary)	1955-56	1956-57 (Preliminary)
	<u>Million pounds</u>		<u>Million pounds</u>	
Cottonseed oil, refined.....	.8	2.6	245.1	78.6
Cottonseed oil, refined and further processed.....	2.1	4.5	114.6	29.7
Cottonseed oil, crude.....	28.0	6.7	245.4	314.3
Total cottonseed oil.....	30.9	13.8	605.1	422.6
Soybean oil, refined.....	5.4	7.1	63.7	91.6
Soybean oil, refined and further processed.....	48.7	.9	404.9	327.2
Soybean oil, crude.....	21.6	17.0	87.8	386.3
Total soybean oil.....	75.7	25.0	556.4	805.1
Total cottonseed and soybean oil.....	106.6	38.8	1,161.5	1,227.7
	Thousand short tons		Thousand short tons	
Cottonseed cake and meal.....	3.1	2.8	155.7	30.1
Linseed cake and meal.....	15.2	4.1	152.6	40.3
Soybean cake and meal.....	31.5	22.7	400.1	441.0
Total cake and meal.....	49.8	29.6	708.4	511.4

Compiled from official records of the Bureau of the Census.

**BELGIUM HARVESTS LARGER WHEAT CROP (Correction)**

In Foreign Crops and Markets, October 21, page 7, line 3 of the text should have read "Wheat acreage of 513,000 acres is reported the largest of the past 70 years."

## SWISS IMPOSE EMBARGO ON FRENCH FEED GRAINS

Effective October 23, all imports of French feed grains into Switzerland are banned in order to prevent the spread of hoof-and-mouth disease.

Switzerland normally imports about 400,000 metric tons of feed grains, with about one-third of this being supplied by the United States. Prior to announcement of the embargo, France, with a large quantity of barley available for export, might have been counted on to supply 150,000 to 200,000 tons, or almost one-half of Switzerland's probable feed grain import requirements for 1957-58. The embargo, therefore, is likely to result in unexpected market opportunities in Switzerland for other feed grain exporters.

## AUSTRALIA'S GRAIN PROSPECTS DETERIORATE FURTHER

Continuation of the widespread drought in Australia has caused further serious deterioration of grain crops, since last reported in Foreign Crops and Markets, October 14. With little or no rain in most areas since that report, prospects for the 1957 wheat crop have become progressively worse, and forecasts now place total outturn at less than 100 million bushels. This would be the smallest harvest since 1944 when drought also reduced the crop to a low level.

Sharply reduced prospects for feed grains and burned-out pastures make the feed situation very serious. In the Eastern States, which are the most affected by the drought, all grain crops are being heavily grazed and are expected to produce little grain. During the dry autumn, winter, and spring of the current season substantially above average quantities of grain have been fed, since normal pastures were not available to carry the increased livestock numbers. As a consequence, stocks of feed grains are also low.

Heavy demands for feed are, therefore, causing large parts of the drought-damaged wheat acreage to be utilized for grazing. While all the Eastern States are seriously affected, conditions are reported worst in New South Wales. In this state--normally the country's leading wheat producer--little or no grain is expected to enter commercial channels, according to recent reports. Prospects for Western Australia are more favorable than in any of the Eastern States, but even there, production will be considerably below average.

Total supplies of wheat in Australia for 1958 will be so small and requirements within the country probably so increased, because of shortage of feed grains and forage, that export possibilities for that country will be sharply curtailed during the coming season. This limitation in Australia's exportable supplies of wheat will probably result in greater exports of grain from North America.

## CANADA INITIATES SUBSIDY PAYMENT TO AID BARLEY EXPORTS

On October 16, the Canadian Wheat Board instituted an export subsidy payment on barley moving out of St. Lawrence ports. The subsidy is intended to speed up the movement of barley supplies out of the Lakehead and St. Lawrence area between now and the official seasonal close of navigation in the St. Lawrence. The initial subsidy, subject to daily change, was set at 5 cents per bushel. It is specifically limited to exports destined for the United Kingdom or other European markets.

Canada's barley exports to Europe have averaged over 46 million bushels annually over the past 5 years.

## AUSTRALIAN DROUGHT TO INCREASE MEAT EXPORTS

Drought in Australia has become a serious problem to livestock producers. Dry weather has retarded pasture development since the beginning of 1957. By the start of the Australian winter (May), feed conditions were poor. Needed spring rains have not materialized, and the situation has become critical.

In New South Wales, an important sheep-producing state, over 40 percent of the sheep are being hand-fed. It was reported in October that, unless there were heavy rains before November, sheep losses would be large.

During 1956, a combination of good pastures and low livestock prices led farmers to hold back meat animals and build up their herds. In addition, high wool prices have encouraged expansion of sheep enterprises. Livestock numbers, combined with the present feed and water shortage, render uncertain the present position of Australian producers.

As a result of these factors, livestock slaughter has risen sharply in recent months as producers have moved animals off drought-stricken ranges. The increased meat production is expected to be reflected in increased meat exports during the coming months. Canned meat production and exports are expected to halt their steady decline of the last 5 years and show a rise as more unfinished animals are marketed.

Increased Australian exports will have little direct effect on the United States. Under the Australia-United Kingdom 15-year meat agreement, only 15,000 long tons of Australian meat may be sold in non-British markets. Most of this 15,000 tons is obligated to markets other than the United States. However, any sharp increase of Australian meat shipments to Britain may be expected to cause other British suppliers, such as Argentina and New Zealand, to look for new outlets for their exports. The expected drop in U.S. beef production forecast for 1958 will make this country an attractive market for New Zealand frozen and Argentine canned beef.

PANAMA SHIPPING CATTLE  
TO DUTCH WEST INDIES

The Institute for Economic Development (I.F.E.) in Panama is shipping cattle regularly to the Dutch West Indies Islands of Curacao and Aruba, under its export subsidy plan (see Foreign Crops and Markets, May 27, 1957). A shipment of 277 head valued at \$29,394 was made during late October. This was the fifth shipment made by I.F.E. during the present year. A total of 1,323 head valued at \$148,274 have been exported.

URUGUAY SEEKS CATTLE IMPORTS FROM  
ARGENTINA; REDUCES SLAUGHTER

Uruguayan ranchers and farm organizations are requesting permission from their government to import breeding cattle from Argentina, and the meat packers are still seeking permission to import slaughter cattle.

Cattle production this year will be materially reduced, due to extreme drought from October 1956 through June 1957 in the northern sections. Estimates of drought losses of cows and heifers range up to 170,000 head. Although losses of mature stock were relatively low, this year's calf crop was reduced, and the smaller farm production in 1957 will show up in reduced cattle slaughter 2 or 3 years from now.

Apparently, Argentina is willing to sell cattle to Uruguay but is insisting upon payment in dollars. Because of its shortage of dollars, Uruguay is unwilling to make large-scale importations.

In early October, slaughter operations in the large Montevideo plants were on a very limited scale. Frigorifico Nacional was killing on 2 days a week, and supplying only about half of the local demand. Frigorifico Artigas (Armour) was completely idle, mainly because of the shortage of cattle. Frigorifico Swift was closed because of a strike. On the other hand, small firms were slaughtering at fairly high rates and selling their output at black-market prices.

Frigorifico Nacional was behind in its payments to producers for purchases made back to June 10, and producers were being forced to deal with the small, independent slaughterers who paid higher prices and made settlement in cash. The Artigas plant was also several weeks behind in its payments and claimed it could not pay livestock producers until the government settled its past-due accounts to the packing plant.

Despite the difficulties under which the Uruguayan plants were operating, exports of canned meat to the United States rose sharply in 1957. United States imports of canned beef from that country during January-July totaled 7.2 million pounds. Imports during the full year 1956 totaled 3.5 million pounds and in 1955 were only 1.3 million. On July 3, 1956, a new export exchange rate became effective which increased the export prices for meat products and thereby stimulated exports.

FOOT-AND-MOUTH DISEASE REPORTED  
IN SOUTHERN RHODESIA

A serious outbreak of foot-and-mouth disease has been reported in the Matabeleland district of Southern Rhodesia. Army troops have been used to place a 125-mile cordon to prevent the movement of cattle and other exposed animals into the important farming district near Bulawayo. Spread of the disease into the closely populated agricultural area northwest of Bulawayo would pose a serious threat to the colony's meat supply.

U. S. SHARE OF U. K.  
LARD MARKET DROPS

Lard imports by the United Kingdom from all sources during the first 8 months of 1957 totaled 165.5 million pounds, compared with 136.6 million for the corresponding period in 1956. Despite the increase in trade, the U. S. share of this market dropped from 79.4 percent for January-August 1956 to 65.7 percent for the same period in 1957. Over this same period France increased its share of the British market from .2 to 9.1 percent.

Strong price competition from France, Belgium, and Argentina was the principal reason for the reduction in U. S. trade.

LARD: United Kingdom, imports, quantity, percent of total, and average price per pound, by country of origin, January-August 1956 and 1957

Country	January-August 1956			January-August 1957		
	Quantity	Percent of total	Average price	Quantity	Percent of total	Average price
	pounds	Percent	per lb.	pounds	Percent	per lb.
Denmark.....	1,000		U.S. cents	1,000		:U.S. cents
	: pounds	: Percent	: per lb.	: pounds	: Percent	: per lb.
Netherlands.....	9,744	7.1	.1466	10,468	6.4	.1762
Belgium.....	8,725	6.4	.1394	8,720	5.3	.1599
France.....	8,046	5.9	.1243	18,171	10.9	.1361
United States....	337	.2	.1217	15,205	9.1	.1418
Argentina.....	108,346	79.4	.1453	108,853	65.7	.1702
Others.....	928	.7	.1187	3,496	2.2	.1497
	431	.3	.1492	607	.4	.1567
Total.....	136,557	100.0	---	165,520	100.0	---

Source: Secretary, U. S. Packers Provisions Agents' Committee, United Kingdom.

WEST GERMAN IMPORTS OF CATTLE  
HIDES RISE SHARPLY

Imports of cattle hides by West Germany in the first 6 months of 1957 were 17 percent above imports a year ago. Argentina and the United States, which accounted for over half of the total imports in 1956, increased their shipments by 38 percent and 48 percent, respectively.

The relatively greater increase by the United States indicates that some of the ground lost to Argentina in the West German hide market in 1956 may be regained in 1957. West Germany was the fourth leading market for U. S. hides in 1956, ranking behind Japan, Canada, and Mexico.

CATTLE HIDES: West German imports, annual 1954-56,  
January-June 1956 and 1957

Country of origin	Annual			January - June			Percent change
	1954	1955	1956	1956	1957	1957	
	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	
Argentina.....	22,122	41,742	60,525	29,112	40,246	38	
United States.....	59,990	62,160	44,366	23,406	34,578	48	
France.....	6,568	14,397	14,268	8,488	4,484	-47	
Uruguay.....	9,039	10,926	12,504	6,588	8,333	26	
Netherlands.....	5,653	8,894	9,244	4,686	5,286	13	
New Zealand.....	4,338	3,787	8,411	3,107	3,534	14	
Australia.....	969	5,006	8,344	3,911	2,813	-28	
Denmark.....	3,917	6,949	7,559	3,968	---		
Canada.....	5,299	7,615	4,883	2,368	5,237	121	
Italy.....	4,529	7,062	4,745	2,495	2,448	-2	
Switzerland.....	4,483	5,933	4,524	1,961	2,851	45	
Belgium.....	1,886	5,830	4,104	2,763	1,089	-61	
Paraguay.....	1,076	1,959	3,945	2,015	1,719	-15	
Un. of So. Africa....	4,004	1,469	3,653	2,516	1,136	-55	
Rhodesias-Nyasaland..	4,282	6,554	2,585	1,030	1,573	53	
Others.....	9,455	11,702	12,126	6,869	7,468	9	
Total.....	147,600	201,985	205,786	105,283	122,795	17	

WEST GERMANS CONTRACT FOR  
MOROCCAN ORANGES

Trade sources report that West German importers are contracting for 1 million boxes of Moroccan oranges at a basic price of 52 francs per kilo f.o.b., which is equivalent to \$3.93 per 70-lb. box. About 40 percent are scheduled for shipment before Christmas and the balance in January.

ARGENTINE WOOL EXPORTS DECLINE

Argentine exports of raw wool declined 11 percent during the 1956-57 season (October-September), totaling 217 million pounds, compared with 245 million pounds the previous season. Wool shipments during the 1955-56 season were unusually large, however, due to the depletion of excessive carryover stocks. When compared with the 1954-55 season there was little change in exports during the season just completed.

In October the Central Bank announced a reduction in aforos on certain types of grease wool and wool tops 60's and below. The retention on grease wool has been reduced to 5 percent and withdrawn entirely from scoured, carbonized, and tops.

These new measures plus a slight increase in production create a favorable outlook for wool exports during the 1957-58 season.

WOOL: Argentine exports by country of destination, actual weight,  
1955-56 and 1956-57 1/

Destination	1955-56	1956-57
	<u>Million pounds</u>	
United States.....	85	69
United Kingdom.....	28	37
France.....	34	30
Netherlands.....	14	17
Italy.....	5	17
U.S.S.R.....	2/	11
Japan.....	45	9
Belgium.....	11	10
West Germany.....	12	8
Poland.....	2/	5
Others.....	11	4
Total .....	245	217

1/ Wool year beginning October 1. 2/ Negligible--included with others.

## U. S. COTTON LINTERS EXPORTS DECLINE IN AUGUST

United States exports of cotton linters, mostly chemical qualities, were 18,000 bales (500 pounds gross) during August 1957, a decline of 31 percent from exports of 26,000 bales in July. They were considerably higher, however, than exports of 13,000 bales in August 1956.

Principal destinations of linters exports in August 1957, with comparable August 1956 figures in parentheses, were: West Germany 11,000 bales (5,000); Netherlands 4,000 (none); Canada 3,000 (2,000); and the United Kingdom 300 (3,000).

## U. S. COTTON LINTERS IMPORTS DROP IN AUGUST

United States imports of cotton linters, mostly felting qualities, were 7,000 bales (500 pounds gross) during August 1957, down 30 percent from imports of 10,000 bales in July, and less than half the 16,000 bales imported in August 1956.

Principal sources of linters imports in August 1957, with comparable August 1956 figures in parentheses, were: Mexico 4,500 bales (11,000); Belgium 1,400 (none); U.S.S.R. 600 (4,000); and Brazil 400 (66).

## NICARAGUA'S COTTON CROP LOWEST IN 4 YEARS

Cotton production in Nicaragua during August-July 1957-58 is currently estimated at 145,000 bales (500 pounds gross), 25 percent below the 1956-57 crop of 193,000 bales, and the smallest crop in the last 4 years. The peak crop of 205,000 bales in 1954-55 was followed by a drop to 160,000 bales in 1955-56, despite an acreage increase; unusually bad weather caused the decline.

Conditions for the 1957-58 crop, thus far, have been generally favorable, although there is some unevenness in the development of the crop. The lower production is attributed almost entirely to a cut in cotton acreage, which dropped 18 percent from 182,000 acres in 1956-57 to only 150,000 in the current period. Acreage in 1955-56 was 257,000, compared with 213,000 in 1954-55. The downward trend of the last 2 years is due to several factors that have caused many farmers to shift to other crops. Heavy financial losses in 1955-56 resulting from sharp declines in yield per acre and prices, and heavy insect infestation in areas where the crop develops unevenly, are reported to be the principal causes for the acreage reductions.

Cotton exports in 1956-57 totaled 150,000 bales, down 37 percent from exports of 239,000 bales in 1955-56. Principal declines were in exports to West Germany and Japan. Increased exports were shown for France and the United Kingdom. Quantities exported to major destinations in 1956-57, with comparable 1955-56 figures in parentheses, were: Netherlands 37,000 bales (49,000); West Germany 35,000 (98,000); United Kingdom 30,000 (17,000); France 22,000 (none); Japan 16,000 (47,000); and Belgium 8,000 (13,000).

Cotton stocks in Nicaragua on August 1, 1957, were estimated at 62,000 bales--considerably above stocks of 23,000 bales held a year earlier, but well below the stocks of 106,000 bales held August 1, 1955.

The government is continuing to encourage production of cotton although credits extended to cotton farmers for the 1957-58 crop were considerably less than for the 1956-57 crop. Manufacturers of insecticides are freed of import duties on machinery and repair parts. Similar provisions favor the cotton gins. Another provision enables all industries associated with, or a part of the cotton industry, to import articles without the usual 100-percent advance deposit required for most imported products.

There was no significant change in the grades of cotton produced in Nicaragua in 1956-57, although there was a very definite shift to the longer staple of 1-3/32 inches for the bulk of the crop. Most of the cotton from the three previous crops averaged 1-1/16 inches in staple. Each bale of cotton was classed by United States classers employed seasonally by the Export Department of the National Bank of Nicaragua. A well equipped laboratory in Managua is provided for this purpose.

Prices for Nicaragua's 1956-57 crop declined from around 29 cents (U.S.) per pound early in the season to around 27 cents for Middling 1-1/32 inches as the season progressed. The government has established a system whereby more favorable rates of exchange for dollars earned from cotton sales abroad would go into effect if prices were below 27 cents a pound. Within a certain range, the lower the price received, the more favorable the exchange rate. The flexible exchange rate has not yet been used because prices have remained above 27 cents.

Delfos 9169 was the most predominant variety planted for the 1957-58 crop. Acala 1517 was next in importance. Only a few hundred tons of seed were imported. The bulk of the seed continues to be of national production. Some mixing was reported.

#### U. S. IMPORTS MORE COTTON IN AUGUST

United States imports of cotton (for consumption) were 8,000 bales (500 pounds gross) in August 1957, up 33 percent from imports of 6,000 bales in July. They were double the imports of 4,000 bales in August 1956 but at about the same level as August in the 3 preceding years.

Quantities imported from principal destinations in August 1957, with comparable August 1956 figures in parentheses, were: Egypt 3,627 bales (1,840); Pakistan 2,073 (82); Mexico 1,316 (none); Peru 547 (1,389); and India 188 (161).

## INDONESIA'S COPRA EXPORTS IN AUGUST HIGHEST OF YEAR

Indonesia's copra exports in August, preliminarily estimated at 45,513 long tons, gross weight, were double the shipments in July and were the highest monthly exports of the year. January-August exports, estimated at 175,992 long tons, were over one-fourth greater than those of the comparable period in 1956. Other July exports from Indonesia were: palm kernels--3,555 short tons; palm oil--17,834 short tons and copra cake--14,668 long tons.

## SPANISH CITRUS EXPORTS BEGIN

The torrential rains and high winds which struck Valencia, Spain, on October 14 did little or no damage to the citrus crop, and the added moisture has had a beneficial effect. The cooler weather is causing the citrus to mature.

Harvesting of Satsuma oranges for local markets began the week of October 14 and a few were exported the following week. Clementines are making good progress and some may be exported around the first of November. Navel orange exports may start the week of November 11. The acidity test has been abandoned, but the Inspection Service hopes to delay exports as much as possible to prevent the shipment of immature fruit.

## BEAN PRODUCTION REDUCED IN FRANCE AND TERRITORIES

France produced 2,500,000 bags of beans in 1957, according to official estimates. This is 10 percent less than in 1956 but 20 percent more than the 1950-54 average of 2 million bags.

Two French African territories, Algeria and Morocco, together produced 65,000 bags, (according to unofficial estimates), or one-third less than both 1956 production and the 1950-54 average. Madagascar, another territory, normally produces about 450,000 bags; although no estimate is available for 1957 production, it is believed to have declined this year.

From July 1956 through June 1957, France imported a total of 280,000 bags of beans: 22,000 of them from the three African territories; 39,000 from British and Portuguese Africa; 102,000 from Western Europe; 77,000 from Bulgaria, Hungary, and Yugoslavia; and 37,000 from Iran and Lebanon. The United States supplied about 4,000 bags of seed beans.

While the need for imports into France may be greater this year than last, exports from the territories may be expected to be less. In earlier years, France normally imported 100,000 to 150,000 bags from French African territories each year.

INDIA'S OILSEED OUTPUT EXPECTED  
TO INCREASE IN 1957-58

Production of the principal oilseeds crushed for edible oil in India--peanuts, rape and mustard seed, and sesame seed--for the crop year beginning July 1, 1957, is forecast unofficially at a level about 5 percent above 1956-57 and 10 percent above 1955-56. Although India produces sizable quantities of cottonseed, only a small percentage is crushed for oil; this crop is, therefore, excluded from the following table.

OILSEEDS: India, acreage and production in crop years 1/  
1955-56, 1956-57 and forecast for 1957-58

Oilseed	Acreage			Production		
	1955-56	1956-57	1957-58	1955-56	1956-57	1957-58
	acres	acres	acres	short tons	short tons	short tons
Edible:						
Peanuts.....	12,692	13,101	14,000	4,325	4,576	4,800
Sesame.....	5,653	5,433	5,200	512	505	500
Rape and mustard.....	6,317	6,211	6,300	950	1,139	1,232
Total.....	24,662	24,745	25,500	5,787	6,220	6,535
Industrial:						
Flaxseed.....	3,781	3,758	3,800	464	391	450
Castor beans.....	1,405	1,403	1,500	139	144	145
Total.....	5,186	5,161	5,300	603	535	595

1/ July 1-June 30. 2/ 16.6 million bushels. 3/ 14.0 million bushels.

4/ 16.0 million bushels.

Increased peanut production, mainly through expanded acreage, accounts for a major part of the expected increase in edible oilseed output. Sesame seed production is forecast at about the same level as last year. Although a smaller area has been planted to sesame, favorable weather probably will increase yields. The rape and mustard seed crops, which are now being planted, may also show an increase.

Indian production of industrial oilseeds--flaxseed and castor beans--is forecast at 595,000 short tons, up 10 percent from 1956-57, but slightly below the output in 1955-56. A small flaxseed harvest in the spring of 1957--14.0--million bushels--accounts for the poor industrial oilseed crop in 1956-57. With average yields per acre, the 1957-58 flaxseed crop would amount to about 16 million bushels. Castor bean production may be slightly increased in 1957-58 from last year. For the last 2 years the Indian Government has made considerable effort to expand castor bean production, but only a small increase has resulted.

COFFEE EXPORT CONTROL AGREEMENT  
SIGNED BY 7 LATIN AMERICAN COUNTRIES

An agreement to control coffee exports was signed October 18, 1957, by representatives from Brazil, Colombia, Costa Rica, El Salvador, Guatemala, Mexico, and Nicaragua. The agreement's stated purpose is to promote a well-regulated, stable market under conditions fair both to producers and consumers.

Under the agreement, Brazil will maintain coffee reserves of at least 20 percent of the exports it makes during the October 1, 1957-September 30, 1958 period. (It has been reported that this has been amended to the October 1, 1957-June 30, 1958 period.) These reserves will consist of coffees of exportable grade, which may not be exported during this period. Brazil also has agreed to maintain unchanged its policy of support for the world coffee market, in accordance with regulations enacted in Brazil for the crop year July 1, 1957, through June 30, 1958.

For the other countries listed above (Colombia and 5 member-countries of the Federacion Cafetalera de America) the agreement limits shipments from November 1, 1957, through March 31, 1958, to approximately 80 percent of the average quantities of coffee which these countries exported during this 5-month period in the last 2 years. Shipments during the period indicated may not exceed the following:

	<u>Bags of 132.276 pounds</u>
For Colombia	2,302,000
For the member countries of the Federacion Cafetalera de America	<u>2,070,240</u>
Total	4,372,240

The Federacion de Cafeteros de Colombia and the governments and organizations of the member countries of FEDECAME which are signatories to the agreement are obligated to establish and maintain coffee reserves equivalent to 10 percent of their total shipments during the period November 1, 1957-September 30, 1958. These reserves are to be established by retention of 10 percent of the equivalent of the physical coffees shipped and must be of the same quality as those exported.

Shipments between April 1 and September 30, 1958, by the countries producing mild coffee will be regulated in accordance with provisions to be established at a meeting prior to February 1, 1958.

The agreement establishes an Executive Board consisting of one representative of each of the participating countries. This Executive Board will study continuously the development of the world coffee market. It also is to appoint an Executive Committee to insure compliance with the provisions of the agreement.

BRAZIL ANNOUNCES NEW SYSTEM  
FOR COTTON EXPORT PRICES

The Bank of Brazil has announced new schedules of minimum export prices for cotton, with prices varying for North and South Brazil.

South Brazil: The minimum export price for Type 5 Sao Paulo cotton was returned on October 8, 1957, to the original base price of 28.43 U. S. cents per pound, f.o.b. Santos, which had been in effect prior to July 5, 1957. The base price was changed twice during the intervening period, but has now been restored.

Exports to countries with convertible or limited convertible currencies are granted a 5-percent reduction from the base price, making the present effective base price 27.01 cents per pound. To all other countries the effective price is 5 percent higher than the base, or 29.85 cents per pound, f.o.b. Santos.

The Bank of Brazil reserves the right to disallow transactions with countries with which Brazil's trade balances are unfavorable. The trade estimates that from 45,000 to 55,000 bales (500 pounds gross) of South Brazilian cotton available for export remained unsold at mid-October.

North Brazil: Minimum export prices for 4 qualities of North Brazilian cotton were fixed September 16, 1957, by the Bank of Brazil, in U. S. cents per pound, f.o.b. shipping port, as follows:

Type	Serido 34/36 mm	Sertao 32/34 mm	Sertao 30/32 mm	Mata 26/30/mm
2	34.25	32.24	31.75	31.51
3	33.53	31.51	31.02	30.76
4	32.31	30.78	30.29	30.02
5	29.58	29.48	29.12	28.68
6	26.18	26.09	25.80	25.31
7	23.76	23.66	23.69	23.32
8	22.31	22.20	22.23	21.83
9	21.82	21.72	21.74	21.34

For purposes of export price control, export destinations of North Brazilian cotton are divided into 3 groups: (1) Countries with convertible or limited convertible currencies are allowed a 5 percent reduction from the base prices; (2) Japan, Yugoslavia, and Sweden--effective minimum export price is base plus 5 percent; and (3) All other countries--effective minimum export price is base plus 7 percent.

In order to protect the domestic textile industry, the bank has set an export quota for North Brazil at 69,000 bales. Sales by individual exporting firms without prior approval are limited to 1,400 bales per day. No information is available as to the quantity sold to date under this plan. All northeastern and northern cotton, regardless of port of exit, or of drop year, is eligible to be sold under the existing regulations.

## TURKISH WALNUT PRODUCTION DECLINES

A decline of approximately 25 percent in overall Turkish walnut production is indicated for the 1957 crop, currently estimated at 66,000 short tons. There is little relation between total production and commercial marketing, since most of the Turkish crop is consumed in producing villages. This season very little of the 1957 production is expected to reach the export market. During recent years, approximately 10 percent of the entire walnut crop has entered commercial Turkish and foreign markets.

Exports of walnuts within the period September 1, 1956 through August 31, 1957, amounted to 290,000 pounds of shelled walnuts and 218,000 of walnuts in the shell. Syria and Belgium were the largest purchasers during this period.

## TURKISH DRIED FIG PRICES UP

Recent sharp rises in Turkish dried fig prices are reported by London trade sources. Late-season rains, while the figs were drying, are reported to have reduced both production and quality.

The 1957 Turkish dried fig crop is now estimated at 29,000 short tons, slightly below the 1950-54 average of 30,000 tons, but sharply below last year's pack of 42,000 tons.

According to the London trade, the quality of bulk-packed Turkish dried figs is the lowest and prices the highest in many seasons. Prices in the United Kingdom, on a landed duty-paid basis, are reported at 13-3/4 cents, compared with 9 cents a year ago. Even higher prices are reported for forward shipments.

Some Turkish paste has reportedly been sold to Canada at 12 cents per pound, c.i.f., basis. This price includes a 4-cent subsidy; the Turkish export subsidy this season--to EPU, sterling, and dollar countries (except the United States)--is 4 cents per pound.

## NORTH AFRICAN CITRUS SUPPLY LARGER

Trade sources indicate that France may import about 10 percent more citrus from North African countries than it did last year. Moroccan exports for the season are estimated at 8.8 million boxes, and Algerian exports are estimated at 8.1 million boxes.

This is the first time that estimates for Moroccan citrus exports have exceeded those from Algeria. In Algeria, picking of Clementine and Navel oranges is expected to start the first of November. The season is much earlier this year than last year.

**INDIAN WALNUT MARKET FAVORABLE**

Though about 3 weeks late due to frosts and floods, the 1957 Indian walnut crop, forecast at 11,000 short tons, in-shell basis, is considered above average both in size and quality.

Walnut exporters are reportedly filling large orders from the United Kingdom and are again offering halves and light pieces in U.S. and Canadian markets. France is said to be placing orders for the first time. Old-crop stocks in London and New York, according to the Indian trade, are at low levels.

The attractiveness of prices offered by the export trade will largely determine the quantities available for sales abroad. Local demand for nuts is reported to be strong, owing to the complete loss of the domestic almond crop. In early October, walnut kernel prices were 42 cents per pound for light amber brokens, c. & f. New York, and 46 cents per pound for light brokens. Quotations for in-shell walnuts are running 1.3 to 1.5 cents per pound higher than a year ago. In-shell walnuts for the U.K. market have been 12.5 cents per pound, c. & f. London.

**FINLAND'S GRAIN  
CROP REDUCED**

Grain crops in Finland sustained considerable damage because of excessive moisture during harvest time. Much of the grain was badly lodged, and large-scale sprouting was reported in both cut grain in shocks and in uncut grain. The full extent of the actual damage could not be estimated at latest report, but it was clear that substantial reductions were caused by a month of almost constant rainfall. Prior to the heavy rains, the outlook was for a good production. It is expected that large quantities of the wheat will be of low quality.

Winter wheat and rye were late in maturing, and harvesting had just started when the rains began in mid-August. The wet weather also interfered with fall-grain seeding which normally is active during late August and early September.

Wheat acreage seeded for the 1957 harvest was well below the 1956 acreage, and, with yields apparently being cut by the unfavorable harvesting weather, it is expected that the total wheat harvest will be less than that of any recent year. Wheat import requirements are, therefore, expected to be larger than usual.

Prospects for rye were the best in years up to the time the rains started. No appraisal of the extent of the damage has been received. About half of the crop remained uncut in mid-September although it matured in mid-August. The outlook for barley was also bright up to the middle of August. Acreage was larger than in 1956, barley being the only grain to show increased area. Acreage seeded to oats was about 11 percent below the 1956 total.

FRANCE UNIFIES CURRENCY EXCHANGE RATE SYSTEM;  
COTTON AFFECTED

The Government of France has unified its currency exchange rate system, effective October 26, 1957, at a rate of 420 French francs per U. S. dollar.

An earlier action, announced August 10, 1957, had imposed a 20 percent levy on most imports and provided for a 20 percent premium on most exports. Certain key commodities were exempted from the import levy. These included raw cotton, wool, raw silk, and other textile raw materials, as well as a number of mineral products and other raw materials. Cotton textiles were exempted from the export premium. This levy-premium system has now been abolished.

Importers of commodities and products not affected by the exchange rate changes announced in August will now pay 20 percent more in terms of French currency. Exporters will receive 20 percent more in terms of French currency, plus or minus any change in prices.

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